

Washington, DC -- U.S. Reps. Vern Buchanan (FL-13) and Glenn Nye (VA-2) have introduced a bipartisan measure to extend Small Business Administration (SBA) loans to homeowners whose primary residences are impacted by potentially toxic Chinese drywall. The SBA provides low interest disaster loans to homeowners to repair or replace real estate and personal property damaged or destroyed in a declared disaster.

“The impact of Chinese drywall is no different than a hurricane or any other natural disaster,” said Buchanan. “These people can’t wait indefinitely to clean up their homes.”

Buchanan and Nye are working to amend the “Small Business Financing and Investment Act of 2009” (H.R. 3854), which is expected to be voted on in the House tomorrow, to allow the SBA Administrator to loan money to homeowners for the repair or replacement of toxic drywall manufactured in China.

“A house is a big investment,” said Buchanan. “I have met with homeowners who have seen their property values plummet and their health concerns grow. The American dream of home ownership has become a nightmare for these people.”

Anecdotal evidence points to the defective Chinese drywall being responsible for chronic respiratory problems. Pregnant women have been advised to move out of their homes for the safety of their unborn children.

An estimated 100,000 homeowners across the country are believed to have the potentially toxic wallboard, including 36,000 Florida homeowners. Buchanan’s constituent Jim Silverblatt paid \$680,000 in 2006 for his house at the Venetian in Venice. The retired UPS supervisor invested another \$125,000 to \$150,000 in the home, which is now appraised at just \$155,000 and is uninhabitable in warm weather.

The small business financing and business bill also incorporates the “Job Creation and Economic Development Through CDC Modernization Act of 2009” (H.R. 3739), which was introduced by Buchanan. The measure increases the transparency and efficiency of the Certified Development Company program and doubles the program’s maximum loan size to make it a more effective financing tool for small businesses.

###